



COMMONWEALTH of VIRGINIA

SOUTHERN RIVERS WATERSHED ENHANCEMENT PROGRAM

PROPOSAL FORMAT



**Department of Housing and
Community Development**

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INTRODUCTION

Funds have been allocated by the Virginia General Assembly to improve water quality in the streams and groundwaters of the “southern rivers” regions of Virginia while directly enhancing the quality of life of communities and their residents through installation and expansion of sewage treatment and collection systems.

Applications for assistance will be received and reviewed by the Department of Housing and Community Development, along with partners from other state agencies. Final decisions for project selection are at the discretion of DHCD.

An ORIGINAL and five copies of all Southern Rivers proposals and supporting information must be submitted to DHCD by the deadline designated for each submission type. Refer to the project specific timetables for further instruction on submission dates.

Potential applicants are encouraged to contact DHCD prior to submission of a proposal to discuss the project being targeted. Contact information is as follows:

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SOUTHERN RIVERS WATERSHED ENHANCEMENT PROGRAM

The Virginia General Assembly has allocated \$17,000,000 to improve water quality in non-Chesapeake Bay watersheds through the construction, expansion or enhancement of publicly-owned wastewater treatment systems that will provide measurable community development benefits.

The Department of Housing and Community Development (DHCD) will administer this program in accordance with the guidelines and procedures set forth in this document. These policies were developed in partnership with the Departments of Environmental Quality, Health, and Conservation and Recreation, along with Planning District Commissions and units of local governments in the eligible areas.

The entire \$17,000,000 will be distributed utilizing the methods described below.

Eligible Applicants

Cities and counties proposing projects in those areas of Virginia that do not drain into the Chesapeake Bay (only “southern rivers”) are eligible for funding. Towns may only apply as part of the surrounding county.

For projects in which there is not a significant elimination of direct discharge of residential wastewater into streams or groundwater, evidence must be provided that debt financing would create an undue hardship on residential customers of the system.

Goal

The goal of the Southern Rivers Watershed Enhancement Program (SRWEP) is to improve water quality in the streams and groundwaters of the “southern rivers” regions of Virginia while directly enhancing the quality of life of communities and their residents through installation and expansion of sewage treatment and collection systems.

Priorities

- 1) The construction or expansion of publicly owned and managed wastewater treatment systems that improve water quality and enhance community development by eliminating the direct discharge of untreated household wastewater into streams or groundwater.
- 2) The construction or expansion of publicly owned and managed wastewater treatment systems that improve water quality and enhance community development by eliminating deficient household wastewater systems that threaten to pollute streams or groundwater.
- 3) The construction, expansion or enhancement of publicly owned and managed wastewater treatment systems that enhance community development and provide significant,

documentable improvements in stream and groundwater water quality.

Project Type Set-Asides

Three main project type set-asides have been established under this program.

These include *Planning Grants*, *Managed Onsite Construction Grants*, and *Wastewater Treatment System Construction Grants*. Each project type set-aside is described in further detail in the following sections.

Cost Limits

- Project administration costs may not exceed 5% of total SRWEP funding or \$30,000 per project, whichever is lower. **SRWEP funds may not be used to pay administrative costs if leverage funds are available to cover project administration costs.**
- Non-construction costs may not exceed 15% of total SRWEP construction costs, in accordance with CDBG program guidelines, for any SRWEP project that is not a managed on-site systems.
- Non-construction costs may not exceed 17% of total SRWEP construction costs, in accordance with CDBG program guidelines, for managed on-site system projects. Design may exceed CDBG program guidelines by 2% for managed on-site system projects.

Ineligible Uses

Any expenditure on a wastewater treatment system that is:

- Designed to serve areas in which no significant water quality improvement need has been documented.
- Designed to implement boundary adjustments
- Designed to accommodate, facilitate or encourage projected growth, speculative economic development, commercial development, revenue enhancement or other purposes not directly related to improvements in existing stream quality.
- Designed to address wastewater pollution that is not primarily caused by inappropriate residential wastewater disposal.
- Projects that primarily address agriculturally-related issues.
- Not publicly owned.
- Likely to exceed an average household SRWEP investment of **\$20,000, per project.**

Allocation Process

Funds will be allocated as follows:

Planning Grants

A total of \$1,000,000 has been set-aside for *Planning Grants*. Requests will be received on an open, rolling basis, through April 1, 2008, or until all funds

have been allocated. Funds will be awarded on a threshold-based system (see Planning Grant section for further details).

Up to \$20,000 per project is available, with not more than \$50,000 available per County or City.

Planning Grant funds will count toward the \$1,000,000 cap that will be in place for Rounds 1 and 2 of the *Wastewater Treatment System Construction Grant* set-aside.

Managed On-Site Construction Grants

A total of \$2,000,000 has been set-aside for *Managed On-site Construction Grants*. Requests will be received on an open, rolling basis, through April 1, 2008, or until all funds have been allocated. Funds will be awarded on a threshold-based system (see Managed On-Site Construction Grant section for further details).

Up to \$500,000 per project is available, with not more than \$500,000 available per County or City.

Managed On-Site Construction Grants **will not** count toward the \$1,000,000 cap that will be in place for Rounds 1 and 2 of the *Wastewater Treatment System Construction Grant* set-aside.

Wastewater Treatment System Construction Grants

A total of \$14,000,000 has been set-aside for *Wastewater Treatment System Construction Grants*. Requests will be competitively evaluated through three rounds of funding, as follows:

Round 1: Closes July 10, 2007.
\$7,000,000 available.

Round 2: Closes December 15, 2007.
\$7,000,000 available.

Round 3: Closes April 1, 2008. Balance of unallocated funds available.

Up to \$1,000,000 per project is available, with not more than \$1,000,000 available per County or City through Rounds 1 and 2. The award cap will not apply for Round 3 provided satisfactory progress on previously awarded grants can be demonstrated. *Please note that Planning Grant funds do count toward the award cap.*

Evaluation Criteria and Rating Process

The following evaluation criteria apply to all proposed projects. A zero-based point system will be utilized; points will be awarded depending on how well the project meets the established criteria.

- 1) **Improvement to Water Quality (65 points)**
- 2) **Community Development Benefit (60 points)**
- 3) **Project Readiness (35 points)**

For open submission, threshold-based projects (*Planning Grants* and *Managed On-Site Construction Grants*), these criteria will be utilized to determine if an application is ready to proceed. Projects

will be reviewed on a first-come, first-serve basis based. Projects must satisfy the defined thresholds in order to be considered for funding.

will be scored based on the same criteria and the accumulation of possible bonus points in order to prioritize projects for the distribution of available funds.

Competitive projects (*Wastewater Treatment System Construction Grants*)

REQUESTS FOR PLANNING GRANTS

A total of \$1,000,000 has been set-aside for *Planning Grants*. Requests will be received on an open, rolling basis, through April 1, 2008, or until all funds have been allocated. Funds will be awarded on a threshold-based system.

Up to \$20,000 per project is available, with not more than \$50,000 available per County or City.

Planning Grant funds will count toward the \$1,000,000 cap that will be in place for Rounds 1 and 2 of the *Wastewater Treatment System Construction Grant* set-aside. The County or city award cap will not apply for Round 3 provided satisfactory progress on previously awarded grants can be documented.

Requests for Planning Grant funds will generally fall within two categories, *Needs Assessment and Prioritization* and *Preliminary Engineering Reports*. Planning Grants are viewed as the initial step toward the development of a future construction application. Funds will be used to identify and quantify needs, examine options to remediate these needs, and recommend a strategy to address these needs.

Needs Assessment and Prioritization

Funds through this category can be utilized to provide:

- Locality-wide identification of the location of households with direct discharge or deficient household wastewater systems, and / or;

- Locality-wide surveys identifying the location and condition of streams and groundwater that are negatively impacted by inadequately treated household wastewater.

Preliminary Engineering Reports

Funds through this category can be utilized to provide strategic solutions and cost / benefit analysis of all feasible alternatives for the installation of publicly owned and managed wastewater treatment systems that are identified and prioritized through a locality-wide needs assessment that meets the priorities of this program.

Planning Grant Proposal Elements

Applicants should provide a narrative discussion to specifically state conditions surrounding the need for planning grant assistance. Applicants must complete the enclosed **Cover Sheet** as part of the request for assistance.

Project / Service Area

Describe the geographic area in which project activities will occur. Identify the specific area boundaries, whether streets, natural features, or locality or regional boundaries. Include information about its physical features, land use patterns, availability / condition of infrastructure, density, demographics, and so on. Maps

of the project or service area must be included.

Project Needs and Demand

How is the project related to the overall community development needs identified by the applicant?

Specify and quantify the needs related to this project as best possible. How were the needs initially identified or how did the applicant become aware of the potential problem? Community complaints? Inspections? As part of another project?

How will this project address elements of an adopted TMDL Implementation Plan in which human wastewater is identified a pollutant that requires remediation?

What is the severity of need? Does this project examine a water quality violation cited by a state agency? Has this been an ongoing concern? Why has this not been previously addressed?

What are the main products and outcomes expected from this process? Is the applicant committed to following through with a construction project in a later round?

Readiness

Why is this project a priority at this time? Is the applicant committed to this project? Who are the key persons that will be responsible for administering this project? Are all critical roles filled? If not, what is the plan for identifying the appropriate assistance that is needed?

REQUESTS FOR MANAGED ON-SITE CONSTRUCTION GRANTS

A total of \$2,000,000 has been set-aside for *Managed, On-site Construction Grants*. Requests will be received on an open, rolling basis, through April 1, 2008, or until all funds have been allocated. Funds will be awarded on a threshold-based system. Projects will be reviewed on a first-come, first-serve basis. Projects must satisfy the defined thresholds in order to be considered for funding.

Up to \$500,000 per project is available, with not more than \$500,000 available per County or City.

Managed On-Site Construction Grants **will not** count toward the \$1,000,000 cap that will be in place for Rounds 1 and 2 of the *Wastewater Treatment System Construction Grant* set-aside.

Eligible Uses

For purposes of this program, a managed on-site system is one that relies on natural processes and / or mechanical components to collect and treat sewage from single or multiple dwellings or structures and disperse the effluent (on or into the soil) on property owned or controlled by the individual or entity which owns the system. These systems are not traditional offsite treatment facilities, but instead, decentralized alternative wastewater systems.

Construction

Funds may be used for:

- Construction or installation of those components necessary to allow publicly owned wastewater treatment systems to provide the direct household benefits and stream and groundwater water quality improvements required by this program, including advanced treatment and drainfield development and the construction of collection systems, including grinder pumps, septic tanks, lift stations and connection lines to centralized systems;
- Acquisition of real property and rights-of-way;
- Development of management and maintenance plans required for publicly owned and managed on-site wastewater treatment systems;

Non-Construction

Funds may be used for:

- Design engineering;
- Construction Inspection;
- Legal costs;
- Construction management.

Grant Administration

Funds may be used for:

- Direct costs of administration of construction projects.

Remediation

Funds may be used for:

- Proper dismantling of wastewater treatment systems replaced by the construction of publicly owned wastewater treatment systems funded by this grant program.

Ineligible Uses

Funds may not be used for any expenditure on a wastewater treatment system that is:

- Designed to serve areas in which no significant water quality improvement need has been documented;
- Designed to implement boundary adjustments;
- Designed to accommodate, facilitate or encourage projected growth, speculative economic development, commercial development, revenue enhancement or other purposes not directly related to improvements in existing stream quality;
- Designed to address wastewater pollution that is not primarily

caused by inappropriate residential wastewater disposal;

- Not publicly owned;
- Likely to exceed an average household SRWEP investment of \$20,000, per project.

Cost Limits

- Project administration costs may not exceed **5% of SRWEP funding or \$30,000** per project, whichever is lower. SRWEP funds may not be used to pay administrative costs if leverage funds are available to cover project administration costs.
- Non-construction costs may not exceed 17% of total SRWEP construction costs, in accordance with CDBG program guidelines, for managed on-site system projects. Design may exceed CDBG program guidelines by 2% for managed on-site system projects.

Managed On-Site Construction Grant Proposal Elements

Applicants should provide a thorough discussion to specifically state conditions surrounding the need for assistance. The following **Key Areas** must be addressed. In the applicant's response, please utilize the Key Area Titles as headers, with specific responses to the questions under each.

Applicants must complete the enclosed **Cover Sheet, Project Budget, Sources Budget, and Derivation of Costs** information.

Key Area I: Improvement to Water Quality

Project Area

Identify the watershed and stream segment in which the proposed project will improve water quality.

Project Needs

Will the project decrease the number of households in a project area which are directly discharging untreated residential wastewater into streams or groundwater? Quantify and describe.

Will the project decrease the number of households in a project area which have deficient residential wastewater systems that threaten water quality in streams or groundwater (this includes direct discharge of untreated residential wastewater? Quantify and describe.

Will the project address elements of an adopted TMDL Implementation Plan in which human wastewater is identified as a pollutant that requires remediation?

Will the project address a water quality violation identified by any state agency and supported by a letter of support for the project from the state agency (this includes water quality violations identified in a TMDL study)?

Project Outcomes

In concise terms, describe the measurable water quality improvements that will result from the identified products or activities. Outcomes are the long-term benefits of the project. An

applicant must demonstrate that a project will have a long-term benefit for water quality.

Is the project clearly related to water quality improvement or protection goals identified by the locality in its comprehensive plan, capital improvements plan, etc.?

Key Area II: Community Development Benefit

Project Area

Describe the geographic area in which project activities will occur. Identify the specific area boundaries, whether streets, natural features, or locality or regional boundaries. Include information about its physical features, land use patterns, availability / condition of infrastructure, density, demographics, and so on. Maps of the project or service area must be included.

Project Needs

In concise terms, describe the actions or activities to be undertaken during this project to resolve the identified needs. Use these to complete the Project Description on the Cover Sheet and make sure these are consistent with the products and line items from the **PROJECT BUDGET**.

Specify and quantify the needs related to this project as best possible. How were the needs initially identified or how did the applicant become aware of the potential problem? Community complaints? Inspections? As part of another project?

What is the extent and severity of need? Has this been an ongoing concern? Why has this not been previously addressed?

Project Outcomes

In concise terms, describe the measured results from the identified products or activities. Outcomes are the long-term benefits of the project. An applicant must demonstrate that a project will have a long-term benefit for community residents and the overall locality.

Is the project clearly related to community development needs identified by the locality in its comprehensive plan, capital improvements plan, etc.?

Does the cost benefit analysis support the SRWEP funds requested compared to the number of households directly assisted?

What is the overall impact of project on the quality of life of life in the community?

Alternatives to SRWEP Funding

Discuss the rationale for seeking SRWEP funding for the proposed project in lieu of other resources. What other funding alternatives exist?

Will SRWEP funding offset debt that would create a financial hardship on the community or the residential users of the facility?

Key Area III: Project Readiness

What local effort has been demonstrated in preparing for the proposed project (development of a reasonable rate structure, adoption of mandatory connection requirements, significant

progress in negotiations with service providers, etc.)?

What is the amount of and accessibility to leverage funds proposed for the project?

Operations Plan

Include any information related to the expected operations and maintenance of the proposed system. At a minimum, the following items should be discussed:

Expenses

- Provide the expected annual costs to operate the system or facility: labor, supplies, salaries, laboratory expenses, replacement of equipment, maintenance of equipment, management and support staff, and so on.

Revenues

- Provide the total expected annual service charge revenue for all customers or users.

Users

Indicate the number of expected users by residential, industrial and commercial connection. Indicate whether a hook-up ordinance is in effect. Will the ordinance be enforced to insure connections are made? Has the ordinance ever been enforced? When? Provide the date the ordinance was adopted. Indicate how many user agreements have been signed by project area residents. Complete the **Project Characteristics** table on page 31.

Fees

Indicate the amount charged for the one-time connection fee. If there are several types of connection fees, please provide

amounts about each type - residential, commercial or industrial. If there are assessments or connections fees, explain what provisions will be made to cover this expense for low- to moderate-income persons.

Rates and Rate Structure

Provide the projected monthly user rate. Have users been made aware of this rate?

Ownership and Maintenance

Who will own and maintain the system? Will a private entity need to be procured to provide maintenance? Who will be the day-to-day contact for users that experience problems?

Acquisition

List the number of parcels / easements needed and status. Provide a letter from the applicant's attorney certifying completion of all necessary acquisitions including the fact that deeds have been recorded in the Clerk of Circuit Court's office.

Inter-Agency Agreements

Explain all public entities that will be involved (and what their involvement will be) in the construction / operation of this improvements to be made (such as local government, public service authority, DEQ and VDH). Include copies of executed agreements between all entities spelling out the responsibilities of each.

Engineering Design Status

Provide an explanation of status of engineering including where the compensation for bidding and contracting, inspection and additional

services will be derived. Include a letter from Virginia Department of Health relative to approval of plans and specifications. Provide a list of ALL permits needed to initiate construction and operation and the status of each (provide copies of all necessary permits for construction that have been obtained). Provide 3 copies of the Preliminary Engineering Report and any other relevant documentation. List the projected date by which the project will be advertised for bids.

Financial Summary

Project Budget

Complete the enclosed project budget form using the following instructions:

Project Products / Activities

List the project products in column B adjacent to the lettered references in column A. These products should be consistent with those listed on the first page of the grant.

Project Line Items

The estimated costs for each cell in the line item rows under each project product heading must be completed as accurately as possible using the most recent cost information. Such accuracy not only demonstrates that a project is close to implementation, but allows DHCD reviewers to complete a more precise assessment of cost reasonableness.

Sources Budget

Attribute each amount of funding targeted for this project to one of the six categories of sources: SRWEP, State (Grant), State (Loan), Federal (Grant), Federal (Loan), Local, and Private.

Provide the total for each funding source category, the percentage of the total project budget it represents, and note the individual funding sources included in that category. The amounts listed in this budget must be consistent with those from other sections in the application and from supporting documents, such as the Local Government Resolution. Specify each source of local funds, whether general revenue, bonds, loans, or otherwise. Also include local in-kind for which there is a firm dollar value. Generally, loan funds obtained by the locality for a project will be considered local funding during the evaluation of proposals.

Derivation Of Costs

Provide detailed information on the costs of the proposed project. At a minimum, list each product and its component cost elements. Preferably, applicants will list even the components of the cost elements, meaning itemization by line items or unit costs. Applicants must provide the total cost of each item and identify the SRWEP and non-SRWEP portions of each. The source and date of these estimates must also be provided.

All costs will be reviewed for reasonableness. If there are site conditions or other factors exerting

upward pressure on your costs, please explain.

Funding And Cost Documentation

Include contracts, agreements, award letters, and other documentation which confirms the commitment of other funding to the project. Provide appropriate written documentation from all agencies with non-SRWEP funds addressing availability of their funds and confirmation of clearance to bid project and/or proceed with construction.

For agencies providing loan monies include a statement from them as to their assessment of project timetable for bidding, award of bids, loan closing, pre-construction conference, initiation of construction and completion of construction.

Include documentation supporting the costs included in the project budget and detailed in the cost derivation. All costs should be documented to some extent. Include bids, estimates, summaries, professional opinions, financial sections of reports, and so on.

REQUESTS FOR WASTEWATER TREATMENT SYSTEM CONSTRUCTION GRANTS

A total of \$14,000,000 has been set-aside for *Wastewater Treatment System Construction Grants*. Requests will be competitively evaluated through three rounds of funding, as follows:

Round 1: Closes July 10, 2007.
\$7,000,000 available.

Round 2: Closes December 15, 2007.
\$7,000,000 available in addition to the balance of unallocated funds from Round 1.

Round 3: Closes April 1, 2008. Balance of unallocated funds available.

Up to \$1,000,000 per project is available, with not more than \$1,000,000 available per County or City through Rounds 1 and 2. The award cap will not apply for Round 3 provided satisfactory progress on previously awarded grants can be demonstrated. *Please note that Planning Grant funds do count toward the award cap.*

Projects involving two or more counties must demonstrate direct benefit in relation to the amount allocated to each county.

Eligible Uses

The following activities are eligible for funding:

Construction

Funds may be used for:

- Construction or installation of those components necessary to allow publicly owned wastewater treatment works to provide the direct household benefits and stream and groundwater water quality improvements required by this program, including advanced treatment and drainfield development and the construction of collection systems, including grinder pumps, lift stations and connection lines to centralized systems;
- Acquisition of real property and rights-of-way;
- Development of management and maintenance plans required for publicly owned and managed wastewater treatment works;

Non-Construction

Funds may be used for:

- Design engineering;
- Construction Inspection;
- Legal costs;
- Construction management.

Grant Administration

Funds may be used for:

- Direct costs of administration of construction projects.
- Not publicly owned;
- Likely to exceed an average household SRWEP investment of \$20,000, per project.

Remediation

Funds may be used for:

- Proper dismantling of wastewater treatment systems replaced by the construction of publicly owned wastewater treatment works funded by this grant program.

Ineligible Uses

Funds may not be used for any expenditure on a wastewater treatment system that is:

- Designed to serve areas in which no significant water quality improvement need has been documented;
- Designed to implement boundary adjustments;
- Designed to accommodate, facilitate or encourage projected growth, speculative economic development, commercial development, revenue enhancement or other purposes not directly related to improvements in existing stream quality;
- Designed to address wastewater pollution that is not primarily caused by inappropriate residential wastewater disposal;

Cost Limits

- Project administration costs may not exceed **5% of SRWEP funding or \$30,000** per project, whichever is lower. SRWEP funds may not be used to pay administrative costs if leverage funds are available to cover project administration costs.
- Non-construction costs may not exceed 15% of total SRWEP construction costs, in accordance with CDBG program guidelines, for any SRWEP project that is not a managed on-site system.

Wastewater Treatment System Construction Grant Proposal Elements

Applicants should provide a thorough discussion to specifically state conditions surrounding the need for assistance. The following **Key Areas** must be addressed. In the applicant's response, please utilize the Key Area Titles as headers, with specific responses to the questions under each.

Applicants must complete the enclosed **Cover Sheet, Project Budget, Sources Budget, and Derivation of Costs** information.

Key Area I: Improvement to Water Quality

Project Area

Identify the watershed and stream segment in which the proposed project will improve water quality.

Project Needs

Will the project decrease the number of households in a project area which are directly discharging untreated residential wastewater into streams or groundwater? Quantify and describe.

Will the project decrease the number of households in a project area which have deficient residential wastewater systems that threaten water quality in streams or groundwater (this includes direct discharge of untreated residential wastewater? Quantify and describe.

Will the project address elements of an adopted TMDL Implementation Plan in which human wastewater is identified as a pollutant that requires remediation?

Will the project address a water quality violation identified by any state agency and supported by a letter of support for the project from the state agency (this includes water quality violations identified in a TMDL study)?

Project Outcomes

In concise terms, describe the measurable water quality improvements that will result from the identified products or activities. Outcomes are the long-term benefits of the project. An applicant must demonstrate that a project will have a long-term benefit for water quality.

Is the project clearly related to water quality improvement or protection goals identified by the locality in its comprehensive plan, capital improvements plan, etc.?

Key Area II: Community Development Benefit

Project Area

Describe the geographic area in which project activities will occur. Identify the specific area boundaries, whether streets, natural features, or locality or regional boundaries. Include information about its physical features, land use patterns, availability / condition of infrastructure, density, demographics, and so on. Maps of the project or service area must be included.

Project Needs

In concise terms, describe the actions or activities to be undertaken during this project to resolve the identified needs. Use these to complete the Project Description on the Cover Sheet and make sure these are consistent with the products and line items from the **PROJECT BUDGET**.

Specify and quantify the needs related to this project as best possible. How were the needs initially identified or how did the applicant become aware of the potential problem? Community complaints? Inspections? As part of another project?

What is the extent and severity of need? Has this been an ongoing concern? Why has this not been previously addressed?

Project Outcomes

In concise terms, describe the measured results from the identified products or activities. Outcomes are the long-term benefits of the project. An applicant must demonstrate that a project will have a long-term benefit for community residents and the overall locality.

Is the project clearly related to community development needs identified by the locality in its comprehensive plan, capital improvements plan, etc.?

Does the cost benefit analysis support the SRWEP funds requested compared to the number of households directly assisted?

What is the overall impact of project on the quality of life of life in the community?

Alternatives to SRWEP Funding

Discuss the rationale for seeking SRWEP funding for the proposed project in lieu of other resources. What other funding alternatives exist?

Will SRWEP funding offset debt that would create a financial hardship on the community or the residential users of the facility?

Key Area III: Project Readiness

What local effort has been demonstrated in preparing for the proposed project (development of a reasonable rate structure, adoption of mandatory connection requirements, significant progress in negotiations with service providers, etc.)?

What is the amount of and accessibility to leverage funds proposed for the project?

Operations Information

Provide financial data, in a brief table, for your entire wastewater system. If your locality (may be service authority, sanitation district, etc.) operates more than one system, only provide data for the system (or cost center) that relates to this project.

Expenses

- Provide the current annual costs to operate the system or facility: labor, supplies, salaries, laboratory expenses, replacement of equipment, maintenance of equipment, management and support staff, and so on.
- Provide the current annual payment of outstanding debt; include the total of both interest and principal amounts.
- Provide any other debt payments.
- Add each of these items and provide the total in **TOTAL EXPENSES**.

Revenues

- Provide the total current annual service charge revenue for all customers or users on the existing system or facility (revenue received from service).
- Provide the total current annual revenue collection from the one-time connection charge to customers to use the existing service (access fee).

- Provide any other annual revenue the system or facility receives, and specify the type of revenue.
- Add each of these items and provide the total in **TOTAL REVENUES**.

INDICATE IF EXCESS UTILITY REVENUES ARE TRANSFERRED TO THE LOCALITY'S GENERAL FUND OR OTHER COST CENTERS.

Usage

- Indicate the locality's wastewater system's capacity as permitted by the appropriate permitting agency. If service is being provided through another jurisdiction's system, show only the applicant's portion of the allocation and capacity.
- For projects requiring a NPDES permit, provide the **quantity** and **quality** of allowed effluent. Provide the daily average flow and capacity.
- Indicate the typical number of gallons per day (gpd) metered at your treatment plant or wastewater supply source. If there is significant fluctuation, please provide a range of gpd metered over the last 12-month period.
- Based upon the expected number of new users for this project, identify how much additional demand will there be in gallons per day.

Users

Provide information on the number of IN-LOCALITY and OUT-OF-LOCALITY users 1 year ago, 5 years ago, and 10 years ago. Indicate the number of expected users by residential, industrial and commercial connection. Indicate whether a hook-up ordinance is in effect. Will the ordinance be enforced to insure connections are made? Has the ordinance ever been enforced? When? Provide the date the ordinance was adopted. Indicate how many user agreements have been signed by project area residents. Complete the **Project Characteristics** table on page 31.

Fees

Indicate the amount charged for the one-time connection fee. If there are several types of connection fees, please provide amounts about each type - residential, commercial or industrial. If there are assessments or connections fees, explain what provisions will be made to cover this expense for low- to moderate-income persons.

Rates and Rate Structure

Provide information on system rates for IN-LOCALITY and OUT-OF-LOCALITY users 1 year ago, 5 years ago, and 10 years ago (if applicable). Provide the current monthly user rate (if applicable). Provide the projected monthly user rate. What was the date of the last rate increase?

Provide the rate structure that will apply to project customers when the project is completed. Will the rate structure for the project area differ from that within the system (will project area residents be paying out-of-locality rates)? If a

different rate or rate structure will be used for beneficiaries outside your locality, then explain why (such as the Town has many low-income residents and must charge higher rates to County residents who can afford the higher rates)?

Acquisition

List the number of parcels / easements needed and status. Provide a letter from the applicant's attorney certifying completion of all necessary acquisitions including the fact that deeds have been recorded in the Clerk of Circuit Court's office.

Inter-Agency Agreements

Explain all public entities that will be involved (and what their involvement will be) in the construction / operation of the improvements to be made (such as local government, public service authority, DEQ and VDH). Include copies of executed agreements between all entities spelling out the responsibilities of each.

Engineering Design Status

Provide an explanation of status of engineering including where the compensation for bidding and contracting, inspection and additional services will be derived. Include a letter from Virginia Department of Health relative to approval of plans and specifications. Provide a list of ALL permits needed to initiate construction and the status of each (provide copies of all necessary permits for construction that have been obtained). Provide 3 copies of the Preliminary Engineering Report and any other relevant documentation. List the projected date by which the project will be advertised for bids.

Financial Summary

Project Budget

Complete the enclosed project budget form using the following instructions:

Project Products / Activities

List the project products in column B adjacent to the lettered references in column A. These products should be consistent with those listed on the first page of the grant.

Project Line Items

The estimated costs for each cell in the line item rows under each project product heading must be completed as accurately as possible using the most recent cost information. Such accuracy not only demonstrates that a project is closer to implementation, but allows DHCD reviewers to complete a more precise assessment of cost reasonableness.

Sources Budget

Attribute each amount of funding targeted for this project to one of the six categories of sources: SRRWEP, State, Federal (Grant), Federal (Loan), Local, and Private. Provide the total for each funding source category, the percentage of the total project budget it represents, and note the individual funding sources included in that category. The amounts listed in this budget must be consistent with those from other sections in the application and from supporting documents, such as the Local Government Resolution. Specify each source of local funds, whether general revenue, bonds, loans, or otherwise. Also include local in-kind for which there is a firm dollar value. Generally,

loan funds obtained by the locality for a project will be considered local funding during the evaluation of proposals.

Derivation Of Costs

Provide detailed information on the costs of the proposed project. At a minimum, list each product and its component cost elements. Preferably, applicants will list even the components of the cost elements, meaning itemization by line items or unit costs. Applicants must provide the total cost of each item and identify the SRWEP and non-SRWEP portions of each. The source and date of these estimates must also be provided.

Include documentation supporting the costs included in the project budget and detailed in the cost derivation. All costs should be documented to some extent. Include bids, estimates, summaries, professional opinions, financial sections of reports, and so on.

All costs will be reviewed for reasonableness. If there are site conditions or other factors exerting upward pressure on your costs, please explain.

Funding And Cost Documentation

Include contracts, agreements, award letters, and other documentation which confirms the commitment of other funding to the project. Provide appropriate written documentation from all agencies with non-SRWEP funds addressing availability of their funds and confirmation of clearance to bid project and/or proceed with construction.

For agencies with loan monies include a statement from them as to their assessment of project timetable for bidding, award of bids, loan closing, pre-construction conference, initiation of construction and completion of construction.

GENERAL PROPOSAL ELEMENTS

All requests for assistance must also include the following.

Planning District Commission Review

Each applicant must provide a copy of its proposal to the local Planning District Commission for review. This review is for informational purposes only. The role of the Planning District Commission is not to approve or reject proposals. Include a copy of the transmittal letter here and any correspondence received from the Planning District Commission prior to proposal submission.

Local Government Resolution

Include a copy of a resolution passed by the local governing body of the applicant giving the chief administrative official authority to complete, sign, and submit this proposal. The resolution must contain the following:

- That the locality wishes to apply for Southern Rivers Watershed Enhancement Program (SRWEP) funds;
- The project type and title;
- The amount of SRWEP funds requested;
- The amounts of local, state, or federal funds that are part of the total project cost;
- That the chief administrative official is authorized to sign and submit all appropriate information necessary to apply for SRWEP funding.

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Project Budget

	ACTIVITY AND LINE ITEM	TOTAL BUDGET	SOUTHERN RIVERS BUDGET	NON- SOUTHERN RIVERS BUDGET
A	Administration			
	Advertising			
	Audit			
	Legal			
	Printing and Postage			
	Workshop Expenses / Travel			
	Project Administration			
	Indirect Charges			
	Subtotal	0.00	0.00	0.00
B	Interim Assistance	0.00	0.00	0.00
C	Demolition / Clearance (S&B)	0.00	0.00	0.00
D				
	Architect / Engineer / Design			
	Inspection			
	Acquisition			
	Relocation			
	Demolition / Clearance			
	Construction / Improvements			
	(Other)			
	Subtotal	0.00	0.00	0.00
E				
	Architect / Engineer / Design			
	Inspection			
	Acquisition			
	Relocation			
	Demolition / Clearance			
	Construction / Improvements			
	(Other)			
	Subtotal	0.00	0.00	0.00

	ACTIVITY AND LINE ITEM	TOTAL BUDGET	SOUTHERN RIVERS BUDGET	NON- SOUTHERN
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				RIVERS BUDGET
F				
	Architect / Engineer / Design			
	Inspection			
	Acquisition			
	Relocation			
	Demolition / Clearance			
	Construction / Improvements			
	(Other)			
	Subtotal	0.00	0.00	0.00
G				
	Architect / Engineer / Design			
	Inspection			
	Acquisition			
	Relocation			
	Demolition / Clearance			
	Construction / Improvements			
	(Other)			
	Subtotal	0.00	0.00	0.00
H				
	Architect / Engineer / Design			
	Inspection			
	Acquisition			
	Relocation			
	Demolition / Clearance			
	Construction / Improvements			
	(Other)			
	Subtotal	0.00	0.00	0.00
	Total			

Sources Budget

<u>Source</u>	<u>Amount</u>	<u>Percentage</u>	<u>Funding Source</u>
Southern Rivers	\$	%	
State (Grant)	\$	%	
State (Loan)			
Federal (Grant)	\$	%	
Federal (Loan)	\$	%	
Local	\$	%	
Private	\$	%	
TOTAL	\$	100%	

What is the current status of non-SRWEF funding? Provide a summary of the current level of commitment and availability of each source of non-Southern Rivers funding identified above. Provide commitment letters, contracts, or similar documentation

Derivation of Costs

[illegible]

Project Characteristic Information

Existing Residential Households			Number of Existing Industrial, Business, Miscellaneous Users	Number of New Users to be Added				
	# of Customers	Rate			Residential	Industrial	Business	Other
Current In-Locality (NOW)				Number of Users with functioning system				
Current Out-of-Locality (NOW)				Number of Users with direct discharge				
Number of In-Locality Users 5 Years Ago				Number of Users with deficient wastewater systems				
Number of Out-of-Locality Users 5 Years Ago								
Number of In-Locality Users 10 Years Ago								
Number of Out-of-Locality Users 10 Years Ago								

Cover Sheet

All proposals must include a complete Cover Sheet. A sample Cover Sheet has been included. All Cover Sheets must include the following items:

Applicant

Provide the name of the applying unit of local government.

Chief Elected Official

Provide the name of the Chief Elected Official (CEO) of the applicant locality.

Local Government Address / Contact Person

Provide the mailing address of the applicant locality. Provide the name and phone number of a person who can provide additional information about the proposal, PREFERABLY the person who prepared the proposal. Also provide the name and phone number of the Chief Administrative Officer.

Project Name

Provide the local name and /or applicant's title for the project which reflects either its physical location and project type or purpose.

Project Description

PLEASE COMPLETE THIS SECTION AFTER COMPLETING THE CORE PROPOSAL. This description should

identify the location of the proposed project, should include a summary of the products / activities to be completed, including sizes and quantities, and the level of benefit to be provided.

Project Cost

List the sources of funding in the project in terms of the categories shown. These sources should be the same as those shown in the **SOURCES BUDGET**.

Preparer

Provide the name and phone number of the person who actually prepared this application.

Certification and Signature

Provide the name, title, and signature of the Chief Administrative Officer of the applicant. This statement certifies that the proposal and attachments are true and correct, that the proposal has been authorized by the governing body of the locality, and that it has been submitted for Planning District Commission review.

SOUTHERN RIVERS WATERSHED ENHANCEMENT PROGRAM COVER SHEET

Applicant:

Chief Elected Official:

Local Government Address and Contact:

Project Name and Description:

Project Cost:

<u>Source</u>	<u>Amount</u>	<u>Percentage</u>
Southern Rivers		
State (Grant)		
State (Loan)		
Federal (Grant)		
Federal (Loan)		
Local		
<u>Private</u>		
TOTAL		100%

Population:

Please indicate the population of the applicant locality: _____

Preparer:

Provide the name and phone number of the person who actually prepared this application.

Certification and Signature

To the best of my knowledge and belief, information in this proposal is true and correct and the proposal has been duly authorized by the local governing body.

Name: _____ Title: _____

Signature: _____ Date: _____

Provide an original and five copies of all proposals to DHCD